

STATE OF WASHINGTON

NINTH REPORT

OF

Washington State Liquor Control
Board



October 1, 1941

TO

September 30, 1942

OLYMPIA
STATE PRINTING PLANT
1942

DEFENDANT'S
EXHIBIT

CASE
NO. C04-0360P

EXHIBIT
NO. 431

WASHINGTON STATE LIQUOR CONTROL BOARD

Report on Operations

OCTOBER 1, 1941, TO SEPTEMBER 30, 1942

In accordance with the requirements of Section 72 of the Washington State Liquor Act, the Board submits its Ninth Annual Report, covering the twelve-month period ended September 30, 1942.

A description of the various divisions of the Board and their functions and a history of the creation of the Board have been set out at length in reports for previous years, and therefore will be touched upon only lightly in this report.

Board Members

Two changes were made in the personnel of the Board since the preceding annual report. On March 2, 1942, Evro M. Becket of Seattle replaced Henry Gregerson, resigned, and on the same date was sworn in as Chairman of the Board by Governor Arthur B. Langlie. On March 23, 1942, Thomas G. Jordan of Castle Rock, Cowlitz County, replaced Luther E. Gregory, resigned.

Board Joins Monopoly Group

On October 8, 1941, the Board joined the National Alcoholic Beverage Control Association, an organization made up of the liquor commissions of the various states. The purpose of this association is to present a medium for the interchange of ideas between the monopoly states. Merchandising problems and questions arising concerning control are naturally the featured topics of discussion.

Administration of the Act

The Washington State Liquor Act, passed at the 1933 Extraordinary Session of the Legislature, brought monopoly control into operation in the State of Washington. At no time have changing conditions and acute emergencies played so important a part in the administration of the liquor act as during the past fiscal year. Each week has brought increasingly heavy demands upon the members of the Board—problems demanding serious consideration and immediate action. This situation, brought about primarily by the war, undoubtedly will prevail for some time.

Greater quantities of alcoholic beverages were purchased by the Board during the past fiscal year than during any similar period of the nine-year operation. The reserve stocks at the close of the fiscal year were nearly double those of the previous year. The inventory at the close of the present year, including merchandise paid for and in transit, was the largest in the history of the Board, amounting to more than four million dollars as compared with slightly more than two million dollars at the close of the 1941 fiscal year. In addition the Board had over four million dollars in unfilled orders at the close of the year, as compared with less than two million dollars at the close of the previous year.

While the period of this final report ended with the month of September, when the sales amounted to \$2,819,690.99, it is well to draw attention at this time to the fact that the sales for the month of October amounted to \$3,777,276.26, which sales were far in excess of any other month in the Board's history. A large proportion of the increase in sales was undoubtedly caused by the influx of the armed forces and defense workers to the State of Washington, together with the hoarding of supplies by the public after the War